

fin. (195⁴⁸) Department

Ms. SERIES.

G.O. No. 94

Dated 28-1-48

[Despatch Abstract.]

CONTROL OF EXPENDITURE- Monthly statement of expenditure under the
Pension grants for 1946-47- Papers recorded.

Finance (Pension) Department.

Appropriation Accounts- 1946-47 "Grant ~~XXIX~~ "XXIX- Pensions" and
 "Grant XXXVII commuted value of pensions"
 From the Accountant General No.A.A.60.3 XXIX-1 dated 23-12-47
 XXXVII-1 dated 23-12-47

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The Accountant General has forwarded the detailed Appropriation Accounts for the year 1946-47 calling for explanations for substantial variations under the various heads under "Grant ~~XXXX~~ Pensions" and "Grant XXXVII commuted value of pensions". He requests that he may be furnished with a formal certificate of acceptance of the accounts and explanations together with the remarks, if any, that this department may have to offer. He also requests that in all cases in which variations are due to several causes the approximate amounts involved in each of the causes may be indicated separately in the explanations. In the course of the explanatory remarks, he has asked for information in respect of certain items.

2. The items on which remarks are called for are noted on below:-

"Grant XXIX Pensions"

"55 b.a Compassionate Allowances- Voted"

Original appropriation.	64,000
Modified appropriation	56,000
Actual expenditure	55,649
Savings	- 351

In spite of allowing an increase on account of temporary increase in pensions which was given effect to with effect from 1-1-47 while fixing the modified appropriation, the latter is low when compared to the original appropriation because the first 9 months' actuals was low. The Accountant-General may be informed that the modified appropriation was based on the progress of actuals.

"55.c.A Gratuities- Voted"

Original appropriation	8,32,000
Modified appropriation	82,000
Actual expenditure	32,795
Savings	49,205

A sum of Rs.50,000 was estimated to be sufficient for payment of gratuities to Government servants discharged either on the abolition of temporary posts or in order to give room for ex-servicemen as against Rs.8,00,000 provided in the original appropriation.

Presumably persons eligible for the gratuities were not discharged to any appreciable extent before 31-3-47 and the savings is due ~~due to~~ to that Public (Service) may be requested to say whether it is so.

"55. c.B. Compassionate gratuities- Voted."

Original appropriation	1,30,000
Modified appropriation	1,00,000
Actual expenditure	85,634
Savings	14,366

The modified appropriation was based on the progress of actuals.

The modified appropriation was based on the 9 months' actuals. The number of cases under compassionate gratuities sanctioned from 1-1-47 to 7-3-47 was only 33 though the number based on actuals should have been about 65. This was due to delay in passing orders in circulation.

55.d (i) Non Pensionable staff paid from local Funds administered by the Central Government- Voted.

Original appropriation.	1,000
Modified appropriation	1,300
Actual expenditure	3,885
Excess	2,585

The expenditure under this head is incurred or affected mostly by adjustments made by the Accountant General. The modified appropriation was therefore based on the suggestion of the Accountant-General who presumably based his estimate on the progress of actuals.

55.d.(ii) Non Pensionable staff paid from Provincial funds-Voted.

Original appropriation	30,000
Modified appropriation	50,000
Actual expenditure	42,812
Savings	7,188

The Accountant General's explanation that the increase in appropriation is due to provision for extra-government contribution to the Provident Fund Accounts of Local Fund Assistant Engineers transferred to the Highways Department may be accepted.

The savings is due to the fact that the estimate on account of this could not correctly be fixed in the absence of the Accountant-General's estimate of probable expenditure.

55.e Government contribution payable under Indian Civil Service Family Pension Rules Charged.

Original appropriation	2,000
Modified appropriation	2,000
Actual expenditure	6,000
Excess	4,000

The amounts under this head are adjusted at the end of the year. The question of basing the appropriation on the progress of actuals does not therefore arise in this case. The Accountant General also did not furnish information regarding the probable expenditure. In the circumstances no increase in appropriation was considered necessary while fixing the modified appropriation. Public (Special) may however be requested to say whether there was any special factor which contributed to the increase of expenditure under this head.

55.f Deduct- Pension charges transferred to commercial departments. Charged.

Original appropriation	-15,600
Modified appropriation	-23,600
Actual expenditure	-23,938
Savings	- 338

Voted

Original appropriation	-3,18,800
Modified appropriation	-4,18,600
Actual expenditure	-4,17,046
Excess	+1554

The estimates under the above head are based on the estimates of expenditure in Commercial Departments viz., Irrigation and Electricity. The increase in appropriations are due to the variations in the estimates of expenditure in these Commercial Departments.

55 A.a Amount transferred from '83 payments of commuted value of pensions-Charged and voted.

	<u>Voted</u>	<u>Charged</u>
Original appropriation	12,75,000	1,28,000
Modified appropriation	1,80,000	30,000
Actual expenditure	2,53,085	15,395
Excess or saving	+73,085	-14,605

The variations under the above heads are due to the variations under "83.a- Payment to pensioners" and "83.b ii- Amount recovered from other Governments".

Grant XXXVII- Commuted value of pensions 83.aI (i) Payments to pensioners- charged and voted.

	<u>Voted</u>	<u>Charged</u>
Original appropriation	12,00,000	1,00,000
Modified appropriation	7,00,000	28,000
Actual expenditure	6,46,554	28,490
Excess or savings	-53,436	+490

The expenditure under the above heads of accounts is incurred or affected mostly by the adjustments made by the Accountant-General. The modified appropriations were based on the probable expenditure estimated by the Accountant-General. The latter may be informed accordingly.

83 a.(ii) Payments to other Governments- voted and charged

	<u>Voted</u>	<u>Charged</u>
Original appropriation	1,25,000	Nil
Modified appropriation	30,000	1,000
Actual expenditure	60,890	4,150
Excess or savings	3 + 30,890	3,150

The excess under charged was due to the fact that the Accountant General in the statement showing the probable expenditure for the year 1946-47 sent by him to the Government with his reference Np. P.A Genl. 44 dated 14.2.47 stated that expenditure to the end of December 1946 was nil and consequently no increase in the original appropriation was considered necessary.

The reduction in appropriation under 'Voted' was based on the suggestion of the Accountant-General in his statement referred to in the previous sub-para

83.b (i) Amount financed from ordinary revenues- charged and voted

	<u>Charged</u>	<u>Voted</u>
Original appropriation	-1,28,000	-12,75,000
Modified appropriation	- 30,000	- 1,86,000
Actual expenditure	- 15,395	- 2,53,085
Excess or savings	+ 14,605	- 73,085

The variations under the above head are due to the variations under "83.a payments to pensioners" and "83.b (ii) Amounts recovered from other Governments".

83.b.(ii) Amount recovered from other Government-Charged and voted.

	<u>Charged</u>	<u>Voted</u>
Original appropriation	-25,000	-50,000
Modified ,,	-65,000	5,50,000
Actual expenditure	-83,299	4,54,369
Excess or savings	-18,299	+95,631

The adjustments are made by the Accountant General. The appropriations were therefore based on the estimate of the Accountant-General and this office is not in a position to explain the reasons for variations.

The case may be sent to Public (Services) and Public (Special) with reference to B and on p.12 above and A on p-12 above respectively.

Public (Services) Department

This department is concerned with B on p. ¹~~1~~ ante. The position stated by Finance is correct. The file may be returned to that department.

Public(Special) Department.

Ref: Portion marked A on p. ¹~~1~~ ante.

This department have ^{no} ~~any~~ information regarding the increase of expenditure under the head "55 c. Government contribution payable under I.C.S Family Pension Rules- Charged". The accounts of the above fund are maintained by the Accountant General Central Revenues. On receipt of information from him, the Accountant General, Madras, checks the I.C.S Family Fund deductions. The file may be returned to Finance.

Finance (Pension)

³ Please see the notes of Public (Services) and Public (Special) on p. ~~1~~ above. A draft memo to the Accountant General is submitted for approval.

(Issued as memo No.23911 Pen ⁹ dated 27-1-48)

The papers may now be

G.O. Ms. No.94 Fin dated 28-1-48

R E C O R D E D .

Sd- X
28-1-48

True Copy

Superintendent
Madras Record Office
21/7

Sectional Notes

55 . a Superannuation Allowances and Pensions- Payments to Madras Government Pensioners- Charged

Budget estimate for 1946-7	8,15,000
Revised estimate for 1946-7.	9,00,000
9 months' actuals	6,32,399
9 months' actuals plus 1/3 thereof	8,43,199

Under this head is shown the expenditure for the following items:-

- (a) Payment of pensions to officers appointed by the Secretary of State, and
- (b) other pensions- Charged.

The expenditure on item (a) is initially debited to 55. Superannuation allowances and Pensions- Superannuation and Retired Allowances-Central Non-voted- Madras- Pensions payable to officers appointed by the Secretary of State and recoverable from Provinces and is finally passed on to Provincial head.

2. The Accountant General has estimated the probable expenditure for the current year at Rs.8,44,000. An additional appropriation of Rs.29,000 may be obtained.

55. a Superannuation allowances and Pensions. Payments to Madras Government Pensioners - Voted.

Budget estimate for 1946-47.	1,10,00,000
Revised estimate for 1946-47 .	1,13,76,000
9 months' actuals	82,31,155

On the basis of the 9 months' actuals, the total amount required for the current year will be Rs.109.75 lakhs. The Accountant General has not reported the probable extra expenditure in the current year on account of the increase of the rates of temporary increase in pensions sanctioned in G.O. 45 Finance (Pen) dated 22-1-47. The extra expenditure on the above account per annum was estimated at Rs.10.60 lakhs. The extra cost, which will fall in the current year, will be for two months viz., January and February, 1947 and will be about Rs. 1.77 lakhs. There will also be some extra cost per annum was estimated at Rs.5 lakhs. In the initial years however the expenditure will not reach that limit. There will also be some increase in the expenditure on account of the orders making all inferior servants retiring after completion of 30 years qualifying service eligible for a pension equal to half their average emoluments. The probable requirements taking all the above factors into account may be put at Rs.113 lakhs. An additional appropriation of Rs. 3 1/2 lakhs may be obtained.

The provision of 1.50 lakhs per for item (c) in the margin seems excessive. The probable requirements may be put at 112 lakhs and an additional appropriation of Rs. 2 lakhs may be obtained.

55.b Compassionate Allowances- A Compassionate allowances Charged.

	Rs.
Budget estimate for 1946-47	6,500
Revised estimate for ,,	5,600
9 months' actuals	5,411

On the basis of the first 9 months' actuals, the total amount required for the current year comes to Rs.4,548. Perhaps, a round sum of Rs.1,500 may be surrendered, in which case the modified appropriation will stand at Rs.5,000 (The actuals for 1945-46 under the head was Rs.5,025)

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55.b. Compassionate Allowances- A Compassionate allowances- Voted.

Budget estimate for 1946-47	Rs. 64,000
Revised estimate for ,,	56,000
9 months' actuals	40,557

The total probable expenditure in the current year on the basis of the first 9 months' actuals will be Rs.54,076. The Accountant General has not reported the probable extra expenditure under the above head on account of the recent increase of the rates of temporary increase in pensions. Allowing for an increase of Rs.2,000 on the above account, the probable requirements would come to Rs.56,000 roundly (same as R.E. 1946-47) A sum of Rs.8,000 may therefore, be surrendered.

55.b. Compassionate allowances. B war Injury pensions. Voted.

Budget Estimate for 1946-47	Rs. Nil
Revised estimate for ,,	300
9 months' actuals	353

Existing sanctions for the grant of war injury pensions amount to about Rs.200 per annum. The actuals for 1945-46 was only Rs.136 and some arrears of that year were drawn in the current year. This accounts for the increase in the 9 months' actuals. A sum of Rs.50 will be required for January to March 1947. Adding to this the expenditure already incurred viz An appropriation of Rs. 400 may therefore be obtained.

(There will be no new sanctions, as hostilities have ceased)

Rs 353
The total probable
expenditure comes
to Rs 400
roundly

55.c Gratuities- A Gratuities - Charged.

Budget Estimate for 1946-47	Rs.4600
Revised estimate " " do-	8000
9 months' actuals	3209

*Though the actuals as reported in the statement for December 1946 was Rs.4,295, the Accountant General has stated a sum of Rs.1,086 will be transferred to "Voted". The net actuals, therefore, amount to Rs.3,209)

Expenditure under this head related to passage gratuities granted to officers retiring, proportionate pension as well as service gratuities sanctioned on retirement to officers appointed by the Secretary of State. The actuals for the earlier months are not a safe guide for determining the expenditure. The actuals for the last 2 years were Rs.585 and Rs. 3,797 respectively. The R.E figure of Rs.8,000 was fixed on the basis of 8 months' actuals, which was Rs.4,295 adding thereto the actuals for the last four months of the previous year (viz. 1945-46) The 8 months' actuals figure, however, wrongly included a sum of Rs.1,086, as stated in the *margin. Taking this factor into account, the probable expenditure in the current year is not likely to exceed the budget provision of Rs.4,600. No additional appropriation need therefore be obtained.

* This is ^{slightly} more than Rs.4300 roundly required on the basis of actuals

3,209 (9 months' actuals)
1,070 (1/3 of 3,209 for 3 months)

4,279 or 4,300 roundly.

55.c. Gratuities- A Gratuities- Voted

Budget estimate for 1946-47	8,32,000
Revised estimate -do-	82,000
9 months' actuals	26,061

A The sum of Rs.8.32 lakhs provided in the Budget Estimate for the current year included a sum of Rs.8 lakhs, which was the estimated cost for payment of gratuities to Government servants discharged either on the abolition of temporary war-time posts or in order to give room for ex-service men. The Public Department recently stated that Rs.50,000 will do for expenditure in the current year, as it is doubtful whether persons eligible for the gratuities will be discharged to any appreciable extent before 31-3-1947. Accordingly the Revised Estimate figure of Rs.82,000 includes only Rs.50,000 towards gratuities under the scheme referred to at "A" above.

On the basis of the revised estimate, it is submitted that a sum of Rs.7,50,000 may be surrendered.

Rs. 7½ lakhs may be surrendered as proposed.

55. c B. Compassionate Gratuities- Charged.

Budget estimate for 1946-47	Rs. 600
Revised estimate -do	800
9 months' actuals	442

It does not seem necessary either to sanction an additional appropriation or to surrender any portion of the existing provision of Rs.600.

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55.c. B. Compassionate Gratuities- Voted.

Budget Estimate for 1946-47	1,30,000
Revised estimate -do-	1,50,000
9 months' actuals	77,756

The total amount of compassionate gratuities sanctioned so far is Rs.82,441 and out of this a sum of Rs.14,115 is reported to have been drawn upto 1-2-47. There are now about 250 cases of compassionate gratuity pending in circulation. With a view to expedite the disposal of these cases, orders of H.M. (Rev) H.M (Edn), H.P.M. and H.E. the Governor have been solicited on the suggestion that these cases may be disposed of by the Chief Secretary and Finance Secretary. The file relating to the question is now with H.P.M. It is likely that orders will be passed ^{early} whether at the end of the month or in the next month on at least some of the cases now pending in circulation. As it generally takes some time for the issue of necessary instructions by the Accountant General to the Treasury Officers for the disbursement of gratuities and for the parties, who reside in some cases in interior villages, to appear at the treasuries, disbursement of the gratuities which are sanctioned in the second and subsequent weeks of March, 1947 will be made only in next financial year. It is difficult to say how many cases are likely to be sanctioned either in this month or in the first week of March, 1947. Seeing that the 9 months' actuals amount to Rs.77,756 it seems sufficient to provide a further sum of Rs.22,000 roundly for sanctions which may be accorded hereafter and which will have effect in the current year itself. Taking therefore, the probable requirements for the current year as Rs. 1.Lakh a sum of Rs.30,000 may be surrendered,

55. d Donations to Provident Funds.

1. Non-Pensionable staff paid from local funds

administered by Government- Voted

Budget estimate for 1946-47

Revised Estimate d-o-

9 months' actuals

~~Rs. 1,000~~

Rs- 1000

1000

988

A part of the expenditure will be adjusted by the Accountant General at the end of the year. The actuals for 9 months to Rs.988 and the Accountant General has estimated the probable expenditure for the whole year at Rs.1,500. As there is a provision of Rs.1,000 under the head, an additional appropriation of Rs.300 may be obtained.

55.d. Donations of to Provident Funds.

(ii) Non-Pensionable Staff paid from Provincial Funds ^{voted} "Charged".

Budget estimate for 1946-47

Rs.30,000

Revised estimate -do-

54,600

9 months' actuals

772

The Accountant General has not furnished an estimate of the probable expenditure in the current year, but proposes to furnish the estimate later. Pending the receipt of the estimate, an additional appropriation of Rs.20,000 may be obtained (The increase in expenditure over the Budget Estimate figure is due to the fact that extra contribution has to be made by Government to the Provident Fund Accounts of certain local and Assistant Engineers transferred to the Highways Department).

55.e Government contribution payable under the I.C.S Family pension Rules. Charged.

Budget estimate for 1946-47

Rs.2,000

Revised estimate -do-

2,000

9 months' actuals

Nil

The Accountant General has not reported the probable expenditure in the current year under the above head. The amounts are adjusted at the end of the year. No action seems necessary.

55.f. Covenanted civil Service Pensions (Annuities) Charged.

Budget estimate for 1946-48

Rs.1,59,900

Revised estimate -do-

1,59,900

9 months' actuals

1,05,158

The Accountant General has estimated the probable expenditure at Rs.1,45,000. The actuals for previous year (1945-46) amounted to Rs.1,29,979. With reference to the Accountant General's estimate of Rs.1,45,000 a sum of Rs.14,900 may be surrendered.

55.g. Charges in England- I. Secretary of State for India- Pensions of Military officers in respect of Civil Employment.

Budget estimate for 1946-47

Rs.2,20,000

Revised estimate -do-

2,06,000

9 months' actuals

1,04,118

The actuals for the first nine months are not a reliable guide for estimating the total expenditure in the current year. On the basis of the revised estimate of Rs.2,06,000 a sum of Rs.14,000 may be surrendered.

55.d. Donations to Provident Funds.

(ii) Non-Pensionable staff paid from Provincial Funds "charged".

Budget - Estimate for 1946-47 Rs 1,000

Revised estimate -do- 1,000

9 months' actuals.

Nil. The first 4 months' actuals are not a safe guide to fix the estimate for the full year. The expenditure is adjusted by the A. G. at the end of the year. The A. G. has promised to send his estimates shortly. Pending its receipt it seems that no action is necessary.

55.g. Charges in England- II. High Commissioner for India.

Please see the notes on page 33 of the Sectional notes of G.O. 603 Finance (Pen) dated 5-8-46. As Budget Estimate II will take the necessary action in respect of the above head, no action is necessary in this section.

55.h. Loss or gain by exchange.

With effect from the current year, the loss or gain by exchange is adjusted under "57 Miscellaneous" in the case of a loss and under XLVI Miscellaneous" in the case of a gain. No appropriation of funds is therefore necessary under the above head.

55.j. Deduct- Pensionary Charges transferred to Commercial Departments

	Charged. Rs.	Voted Rs.
Budget estimate for 1946-47	-15,600	3,18,800
Revised estimate d-o-	-23,600	4,18,600

The estimates under the above head are based on the estimates of expenditure in Commercial Departments Viz. Irrigation and Electricity. Following the revised estimate figures fixed by the Budget Estimate Section, a minus appropriation of Rs.8,000 under "Charged" and a minus appropriation of Rs.99,800 under "Voted" may be obtained.

55.A. Commutation of Pensions financed from ordinary revenues. (a) Amount transferred from "83 payment of Commuted value of pensions".

	Charged Rs.	Voted. Rs.
Budget estimate for 1946-47	Rs.1,28,000	Rs.12,75,000
Revised estimate for -do-	52,000	4,75,000

The appropriation under this head is intended to cover the entire net expenditure on commutation under the head "83 Payments of commuted value of pensions". With reference to the notes on pages 9 to 12 below, the net expenditure comes to Rs.39,100 under "charged", and Rs.1,80,000 under "Voted". On the basis of these figures, the amount that may be surrendered under "Charged" and "Voted" may be fixed at Rs.97,900 and Rs.10,95,000 respectively.

This will require alteration- Please see notes on p.p. 10.11 below and alteration made in red ink above with reference to orders at "K" on p.12 below.

83. a. Payments of commuted value of pensions. I. Payments in India- (i) Payments to pensioners. Charged.

Budget estimate for 1946-47	Rs.1,00,000
Revised estimate d-o-	60,000
9 months' actuals	20,505

The Accountant General has estimated the probable expenditure in the current year at Rs.28,000. On the basis of this estimate, a sum of Rs.72,000 may be surrendered.

83.a.I (i) Payments to Pensioners- Voted.

Budget estimate for 1946-47	Rs.12,00,000
Revised estimate for -do-	8,50,000
9 months' actuals	5,24,049

The Accountant General has estimated the probable expenditure in the current year at Rs.7,00,000. On the basis of this estimate, a sum of Rs.5,00,000 may be surrendered.

83. a Payments of Commuted value of Pensions- I- Payments in India
(ii) Payments to other Governments- Charged.

Budget estimate for 1946-47	Rs.1000
Revised estimate d-o	Rs.1000
9 months' actuals	4151

The expenditure under this head is of a fluctuating nature. In the monthly statement of expenditure for December, 1946, the Accountant General has given the actuals as Rs.4,150-8-0 while in the statement on page 67 of the actuals are shown as nil. The Accountant General may be requested to explain the discrepancy- Pending receipt of Accountant General's reply, no action need be taken. Draft Telephonic Message to the Accountant General is submitted for approval.

83.a Payments of Commuted value of Pensions I- Payments in India (ii) Payments to other Governments- Voted.

Budget estimate for 1946-47	Rs.1,25,000
Revised estimate for -do-	1,25,000
9 months' actuals	16,215

There is a discrepancy under the above head also between the figures furnished by the Accountant General in the monthly statement on page 62 and those furnished in the statement on page 67 c.f. The actuals are shown as Rs.16,214-15-0 on page 62 c.f. and as Rs.20,366 on page 67 c-f This discrepancy may be got clarified The draft Telephonic Message submitted with reference to "A" above provides for this: Pending receipt of the Accountant General's reply, no action need be taken.

According to the Accountant General the total expenditure for the year will be only Rs.30,000. A sum of Rs.95,000 may be surrendered. | K

83.a. Payments of commuted value of pensions- II Payments in England (i)
Par value- Charged.

Budget estimate for 1946-47	Rs.52,000
Revised estimate d-o-	66,000
9 months' actual	66,054

With reference to the 9 months' actuals an appropriation of Rs.14,000 roundly may be obtained.

83.a. Payments of commuted value of pensions- II Payments in England (ii)
Loss or gain by exchange-

No action seems called for- Please see the note relating to the head 55 h. loss or gain by exchange" on page 8 above.

83. b. Deductions- (i) Amount financed from ordinary revenue.

	Charged	Voted
Budget estimate for 1946-47	Rs.1,28,000	12,75,000
Revised estimate -do-	52,000	4,75,000

The amount shown under this head represents the net expenditure on commutation which is charged against current revenue under the head "55-A" With reference to the notes on pages 9-11 above and page 12 below, the net expenditure comes to Rs.30,000 under 'charged' and Rs. 1,80,000 under 'voted' plus appropriations of Rs.97,900 and Rs.10,95,000 under 'charged' and (Voted' respectively may be obtained. This will have to be altered with reference to orders of ADS on K on P- 10 above. and alteration made in red ink above with reference to orders at K on p.10. above.

83-b Deductions- (ii) Amount recovered from other Governments.

	Charged Rs.	Voted. Rs
Budget estimate for 1946-47	-25,000	-50,000
Revised estimate -do-	-75,000	-5,00,000
9 months' actuals	-53,290	-4,07,214

The adjustments are made by the Accountant General. The Accountant General has estimated the amount of probable recoveries from other Governments under 'Voted' at Rs. 5,50,000. On the basis of this estimate a minus appropriation of Rs. ~~5,00,000~~ 5,00,000 may be obtained. As regards recoveries under 'Charged', the recoveries so far made amount to Rs.53,290. The same figure is suggested by the Accountant General as the probable amount for the whole year. Recoveries from other Governments in the months January to March, 1947 cannot it seems be ~~ruled out~~ ruled out. It would therefore be safe to anticipate some recovery in the three months January to March and fix the probable minus appropriation at Rs.65,000. A minus appropriation of Rs.40,000 may be obtained.

Sd/- x x x
Secretary to Government.

True Copy

[Signature]
Superintendent
Madras Record Office.

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